# GOVERNMENT OF INDIA
# COMMERCE AND INDUSTRY
# LOK SABHA

UNSTARRED QUESTION NO:1221
ANSWERED ON:25.07.2016
Improts of Metals
Gopalakrishnan Shri R.

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a) whether cheap imports of Aluminium and other metals into the country are causing tremendous pressure on the domestic industries/manufacturers of these metals;
(b) if so, the details thereof;
(c) whether the Government has taken measures to protect the domestic metals manufacturers; and
(d) if so, the details thereof, metal-wise along with the extent to which these measures have been helpful in protecting the domestic industry?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) and (b): Excess capacity overseas and downward pressure on international prices in light of the global slowdown has led to enhanced competitive pressure on domestic producers from foreign suppliers in sectors like steel.Commercial transactions of Aluminium and Copper; two important non-ferrous metals, are based on London Metal Exchange (LME) price. Profitability of the primary producers has come down due to fall in LME prices during 2015.

(c) to (d): The Foreign Trade Policy (2015-2020) provides safeguards against poor quality imports by providing for Domestic Laws/ Rules/ Orders/ Regulations / Technical Specifications/ Environmental/ Safety and Health Standards applicable to domestically produced goods to be applicable, mutatis mutandis, to imports, unless specifically exempted.
Thus,standards as laid down by Bureau of Indian Standards (BIS) on domestic goods are also applicable on imported goods. Imports of steel and steel products have to confirm to standardsas laid down in Steel & Steel Products (Quality Control) Order, 2012 and subsequent amendments thereto. Similarly, imports of stainless steel have to confirm to Stainless Steel Products (Quality Control) Order, 2016.
Further, any domestic concern arising out of imports are addressed by appropriate trade defense measures like anti − dumping duty, counter − veiling duty and safeguard duty. Whenever Indian industry is affected by cheaper imports, it can seek remedies from the Government under the above provisions.
To protect and eliminate threat to domestic industry caused by unfair trade practices of dumping of goods into the country, Directorate General of Anti-Dumping and Allied Duties (DGAD) conducts anti-dumping investigations, on the basis of duly substantiated petition filed by the domestic industry. DGAD has imposed anti-dumping duty on steel products as per Annexure-I.

Safeguard duty is also in operation on Steel (Seamless Pipes and Tubes;and,Hot- rolled flat products of non-alloy and other alloy sheet).

On Steel (both flat and non-flat steel)the peak rate of basic customs duty has been increased to 15% in the Union Budget 2015-16, from previous level of 10%.Government has also imposed minimum import price on 173 steel productsvide Notification No.38/2015-20 dated 5.2.2016 to check its cheap imports.

The Government of India has also increased the import duty on unwrought aluminium and other aluminium products by 2.5 percent with effect from 1.3.2016.

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Annexure-1

Status of anti − dumping duty on Steel Products (As on 20.07.2016)

S.No. Product Country (ies) involved Current status

1. Steel Wheels China PR Duty imposed on 26.3.2013 in the range of US $ 512-613 per MT. Duty is in force upto 25.3.2018.

2. Cold Rolled Flat Products of Stainless Steel China PR, Korea, European Union, South Africa, Taiwan, Thailand and USA Duty imposed on 11.12.2015 in the range of 4.58 to 57.39% of landed value. Duty in force upto 10.12.2020.

3. Certain Hot Rolled Flat Products of Steel European Union, Korea, South Africa, Taiwan and USA Duty imposed on 25.11.2011 in the range of US$ Nil − 1130.28 / MT. Duty is in force upto 24.11.2016

4. Stainless Steel Cold Rolled Flat Products of 400 series having width below 600 mm European Union, Korea and USA Duty imposed on 4.10.2012 on the difference between US $ 1491 and landed value per MT. Duty in force upto 3.10.2017.

5. Hot Rolled Flat Product of Stainless Steel of 304 Grade. China PR, Korea RP and Malaysia. Duty imposed on 5.6.2015 in the range of US$ 180 to 316 per MT. Duty is in force upto 4.6.2020.

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